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MEMORANDUM

TO:	Legislative Oversight Committee Members Local CFAC Chairs NC Council of Community Programs County Managers State Facility Directors LME Board Chairs Advocacy Organizations MH/DD/SAS Stakeholder Organizations	Commission for MH/DD/SAS State CFAC NC Assoc. of County Commissioners County Board Chairs LME Directors DHHS Division Directors Provider Organizations NC Assoc. of County DSS Directors
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FROM: Dr. Craigan L. Gray

Steven Jordan

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SUBJECT: Special Implementation Update #88 - Selection of LMEs to Participate in the 1915 b/c Waiver

The Department of Health and Human Services (DHHS) is pleased to announce that Eastpointe, Pathways, and Smoky Mountain Center have been selected to be the next Local Management Entities (LMEs) to participate in the State's Medicaid Waiver for mental health, developmental disabilities and substance abuse services. The waiver is commonly known as the 1915 b/c waiver in reference to the sections of the Social Security Act that authorize such waivers. These LMEs were selected through a formal procurement process.

Seven (7) LMEs initially responded to a Request for Application (RFA) to be considered for participation. In addition to Eastpointe, Pathways, and Smoky Mountain Center, the other LMEs that applied were CenterPoint, Durham, Southeastern Center, and Wake County. Based upon either the minimum requirements and/or desk review requirements CenterPoint, Southeastern Center, and Wake County will need to resubmit a RFA Application to the State by October 1, 2011 if they wish to remain in the RFA process. For the LMEs needing to resubmit their RFA applications, their applications will receive a full desk review and if eligible an on-site review. The Durham Center, based upon the initial on-site review, will need to submit a Plan of Correction within 45 days to DHHS to receive a second on-site review as part of the RFA application process. This final step in the RFA process for the four LMEs will be to determine if they are able to proceed forward in the waiver implementation process.

DHHS appointed a ten-person review team comprised of staff from the Divisions of Medical Assistance and Mental Health, Developmental Disabilities and Substance Abuse Services as well as assistance from seven consumers and family members. The review team in conjunction with Mercer Government Human Services Consulting performed a thorough desk review of all applications and conducted on-site reviews at the four (4) LMEs that passed the minimum requirements and met scoring requirements in the desk review process. It was through this process that Eastpointe, Pathways, and Smoky Mountain Center were selected as the LMEs that demonstrated the skills, ability, and infrastructure necessary to successfully implement and manage a 1915 b/c waiver.

In addition to the RFA application process, a review team, with Mercer Government Human Services Consulting conducted an on-site evaluation of ECBH and Sandhills Center based upon last years RFA submission. The team reviewed work accomplished during the past year which supported the capacity of these LMEs to begin formal implementation work to manage a 1915 b/c waiver.

We would like to express our appreciation to all of the LMEs that applied to this year's RFA Application Process and to give special thanks to the LMEs that partnered with the lead LMEs who submitted applications to the State. In September DHHS will begin working with the three selected LMEs, as well as ECBH and Sandhills Center, and continue work with PBH (for expansion), Mecklenburg, and Western Highlands Network who have been working on waiver implementation during the past year. In October we look forward to reviewing the RFA applications of the LMEs that choose to resubmit.

Unless noted otherwise, please email any questions related to this Implementation Update to ContactDMH@dhhs.nc.gov.

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